



Where Does My Money Go?

A Financial EZ-Reader



**Department of
Developmental
Disabilities**



Altarum



LifeCourse Nexus

Training and Technical Assistance Center
UMKC Institute for Human Development • UCEDD



jobguide.ohioemploymentfirst.org

What Is This?

This is one in a series of 6 booklets. They are meant to help you learn about financial things.

This EZ-Reader, **Where Does My Money Go?**, is to help you learn about expenses and how you might spend money. You will soon be an adult. This booklet will help you learn about things you will need to spend money on as you get ready for adult life.

You will see that there is a lot of open space throughout the booklet. Feel free to write notes on it if you wish.

How to Use the EZ-Reader



EZ-Readers use words and pictures to help you understand what you need to know.



You might be able to read this booklet by yourself.



You can also ask someone to read it with you.

How You Spend Your Money



Having money is an important part of life as an adult.



You use it to buy food, a place to live and things you need every day.



You must think about what you spend money on and make sure you have enough.

What Is an Expense?



An expense is the money you spend to get something.



It is the cost of something you buy or use.



For example, expenses are things like food at the grocery store, bus ride fare, your cell phone or heat in your apartment.

Two Kinds of Expenses



There are 2 kinds of expenses.



One kind of expense is called fixed.



The other kind is called variable.

Fixed Expenses



Fixed expenses stay the same every time.



These might be things you pay by the month, every week or every other week.



Since they are always the same, you can plan how much money you need to have for these.

Fixed Expense Examples



The amount you pay for rent is the same every month.



A car loan payment stays the same each month.



The amount you pay for your cell phone service is also a fixed amount.

Variable Expenses



Variable expenses do not stay the same.



They can change based on how much you use or choices you make.



That can make it hard to plan for those things.

Variable Expense Examples



Your heating bill costs more in the winter months because you use more heating.



Other utility payments for things like gas or water might be different each month.



The amount you spend on groceries or eating out is likely different each time.

Other Expenses



There are many other things that you might spend money on.



Cell phone or cable TV bills are expenses you might have.



Shopping for clothes, getting a haircut or going to the movies are other examples.

Spending - Need or Want?



It is important to decide if what you are spending your money on is a want or a need.



Needs are things you must have for living or survival.



Wants are things that can make your life better or more enjoyable.

Examples



Needs are things like food, shelter and clothing.



Wants are things like vacations, jewelry or video games.



Understanding the difference will help you make better decisions about how you spend your money.

Decisions About Wants and Needs



When spending your money your choices can make a difference in a want or need.



For example, if you **NEED** to buy meat for a meal, you can buy hamburger to meet the need.



But if you decide to buy ribeye steak, it could become a **WANT**.

Ways You Pay for Things/Spend Money



Once you know what you are spending money on, you can decide how you pay for things.



You might decide to pay for some things with cash.



Paying with cash is usually only used for smaller purchases or expenses.

Checks or Debit Card



If you have a checking account at a bank, you have a few more options.



You can write a paper or digital check. When you write a check, the money comes out of your bank account.



You can also ask your bank for a debit card.

How a Debit Card Works



A debit card also takes money right from your bank account to pay for things.



It comes out right away, just like if you were paying cash.



You must be careful not to spend more than you have in your bank account when using a check or debit card.

Credit Cards

CREDIT CARD APPLICATION

Personal Information

Name (Last, First, Middle) *DOE JOHN STEVEN* High School *123456789*
Address (Home) *12345 Main Street* City *Anytown* State *CA* Zip *90210*
E-Mail Address _____

Current Income

High School Graduate Or General Education (GED) Test Passed? Yes No
If no, list the highest grade completed _____

College, Business School, Military (Most recent first)

Date Attended	Credits Earned	Other (Specify)	Graduate	Degree & Year	Major or Subject
_____	_____	_____	_____	_____	_____

A credit card is like a debit card, but you are borrowing the money to buy things, like a loan.

CREDIT CARD BILLING STATEMENT

If you have any questions regarding this statement please call 1-800-234-5678

SUMMARY	
PRINCIPAL	\$17,980.00
Minimum Payment Due	\$1,798.00
Optional Items	\$0.00
PAST DUE AMOUNT	\$0.00
Unpaid Late Charges	\$143.88
Other Charges	\$25.00
TOTAL PAYMENT	\$0,778.50

Original Balance \$17,980.00
Interest Rate 5.87%
Interest Paid YTD \$124.66
Taxes Paid YTD \$1.00
Escrow Balance \$124.66

You must pay back the amount you borrowed or spent with the card. It is important to make payments on time each month.

Purchases
Cash advances

CALCULATING YOUR BALANCE

Previous Statement Balance	-\$163.00
Payments & credits	\$696.70
Purchases & debits	\$0.00
Cash advances	\$0.00
Interest	\$0.00
Fees	\$0.00
NEW BALANCE	

You might also have to pay extra costs called interest or late fees.

Automatic Bill Payment



Automatic bill payment is a way to work with your bank to send payments on scheduled dates for bills you pay each month.



Once you set it up with your bank, it happens each month until you tell them to stop.



This is a way to make sure payments are made on time and you don't get late fees.

Keeping Track of Spending



It's important to think about and keep track of all the things you are spending money on.



This will help you pay things on time.



It also helps you not spend more money than you have coming in.

Resources

Helping Young People With Learning Disabilities Understand Money

arcuk.org.uk/wp-content/uploads/2013/05/Helping-young-people-with-learning-disabilities-to-understand-money.pdf

Pacer Center - Printable sheet for your spending

www.pacer.org/publications/possibilities/images/stories/downloads/Managing_Your_Finances/Make_A_Spending_Plan/step_2_list_your_expenses.pdf

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